GOVERNMENT OF
NEWFOUNDLAND AND LABRADOR

The Labrador Record

Meeting the Challenge
December 2000

* Cover image: ***Inukshuk***, Photo: Tourism Newfoundland and Labrador

105-06952/

INTRODUCTION

MEETING THE CHALLENGE

Hon. Ernest McLean

As Minister Responsible for Labrador, I am extremely proud of the work being done to advance the interests of Labrador and Labradorians. This report shows Government has taken decisive action and has dealt with issues brought forward by the people of Labrador.

The Labrador Record speaks of the significant advances we have made in health care, education and tourism. It outlines the major work we have done on the Trans-Labrador Highway and the commitments made to infrastructure improvements. It documents the enormous strides we have made in land claim negotiations and our desire to reach a deal that is fair and beneficial to all Labradorians.

Government is aware of the important economic and social challenges facing Labrador and, while much has been done, much more can be accomplished. On behalf of my colleagues in Labrador, MHAs Wally Andersen and Yvonne Jones, I assure you we will continue to listen to Labradorians and share their goals and aspirations. We will also continue to work with our Government colleagues to ensure Labrador benefits from the development of its resources.

We have a strong spirit and enormous potential. While we face many challenges, I know we can, and will, work together to chart a bright and prosperous course for this region.

ERNEST McLEAN, MHA
Lake Melville District
Minister Responsible for Labrador

LABRADOR AND ABORIGINAL AFFAIRS

- The Labrador and Aboriginal Affairs Secretariat (LAAS) was established in 1996 to advance Innu and Inuit land claims negotiations and to ensure Labrador issues were addressed more efficiently and effectively.

- The LAAS opened an office in Happy Valley-Goose Bay in 1998 to co-ordinate the delivery of government programs and services in Labrador.

- The Secretariat reports to the Premier, as Minister Responsible for Aboriginal Affairs, and to Ernest McLean, Minister Responsible for Labrador.

The principal tasks of the Secretariat in the field of Aboriginal Affairs are:

- developing policy for Aboriginal issues;
- negotiating land claims and self-government agreements;
- implementing and managing land claims and self-government agreements once achieved;
- and, providing public information and education in matters related to land claims.

The principal tasks of the Secretariat in the field of Labrador Affairs are:

- developing policies and programs to advance social and economic development in Labrador;
- managing federal-provincial agreements related to the development of Labrador;
- and, monitoring and evaluating government services and activities in Labrador.

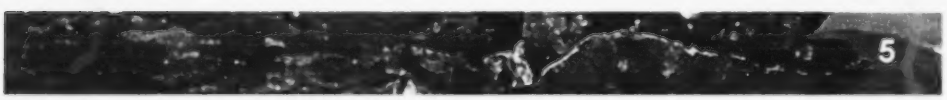
INFRASTRUCTURE

A KEY TO ECONOMIC DEVELOPMENT

TRANSPORTATION

Trans-Labrador Highway

- Transportation in Labrador entered a new era with the completion of Phase I of the Trans-Labrador Highway (TLH), a high standard gravel road between Happy Valley-Goose Bay and Churchill Falls.
- $56 million will be spent in 2000/01 for construction on Phase II of the project — the road between Red Bay and Cartwright.
- About 400 people will be directly employed during Phase II, while others will benefit from the spin-off jobs created. This phase is expected to be completed in the summer of 2003.
- The road from Mary's Harbour to Red Bay is now complete and a contract has been awarded for the winter maintenance of this section of highway.
- Access to Charlottetown and Port Hope Simpson will be completed by fall 2001.
- Government is committed to completing Phase III of the TLH, from Happy Valley-Goose Bay to Cartwright Junction.



Labrador Marine Services

Labrador Straits

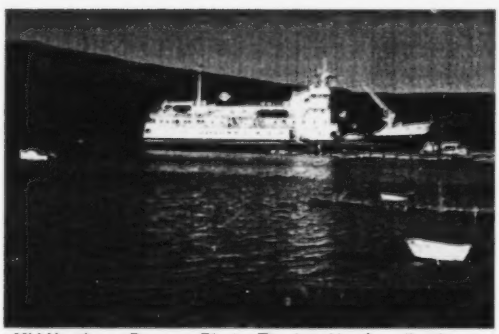
- In the spring of 2000, Government entered into a four-year, $17.8 million contract for the MV Apollo to service the St. Barbe-Blanc Sablon ferry route.

- The MV Apollo is much larger than previous vessels and able to accommodate more tractor trailer and heavy equipment traffic.

- During the peak operating months of July and August, passenger traffic increased 13 per cent in 2000 compared to 1999, while vehicle traffic — a significant portion of which was tractor trailers and heavy equipment — increased by 16 per cent.

Coastal Labrador

- Services continue to be provided by the MV Sir Robert Bond, the MV Northern Ranger, the MV Astron and the MV Nada.



MV Northern Ranger, Photo: Tourism Newfoundland and Labrador

- Services have been maintained at a steady rate, although more traffic is availing of road travel as a result of ongoing construction of the Trans-Labrador Highway.

- Twice a year, officials with the Department of Works, Services and Transportation visit and hold consultations with the communities using the coastal service.

Transportation Committee

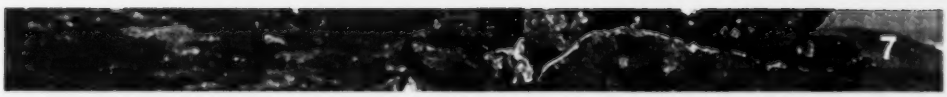
- On February 7, 2000, Government established a committee to make recommendations on the future transportation needs of coastal Labrador when Phase II of the Trans-Labrador Highway (Red Bay to Cartwright) is completed in 2003.

- The seven-member committee held public consultation hearings in all affected communities, as Government felt it was essential for people affected by transportation issues to provide input and make recommendations on how the challenges can be addressed.

- The committee's report to Government is expected in December 2000.

Wharf Upgrades

- In 2000/01, Government will spend $390,000 for dock repairs in communities along coastal Labrador, and an additional $32,000 for diving inspections.



NORTHERN COASTAL LABRADOR STRATEGIC INITIATIVE

In March 2000, Government announced $22.7 million for a Northern Coastal Labrador Strategic Initiative for the Labrador coastal communities of Nain, Hopedale, Makkovik, Rigolet and Postville. This included $7.7 million for housing, $9 million for water and sewer and $6 million for roads upgrading. The initiative specifically targets communities with some of the greatest needs in the province.

Housing

- The housing component of this project consists of $7.7 million to be spent over three years. This year, the initiative will provide 18 families with new houses, and another 72 families will have repairs and renovations completed to their homes.

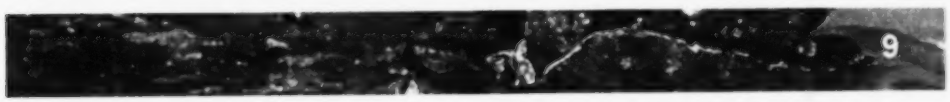
- Over the three-year life of the project, about 65 new houses will be completed and approximately 125 upgrades will be made to existing homes.

Roads, Water and Sewer

- Government recognizes that Labrador's long-term economic and social potential will only be realized by improving infrastructure, including the upgrading of roads and water and sewer systems.

- In the first year of the initiative, $3 million for road upgrading and $3.3 million for water and sewer will be spent in the target communities.

- All tenders for roads/water/sewer services closed on July 25, 2000. Completion of water and sewer work for year one in all communities is anticipated by the fall of this year.



- Year one road work in the community of Makkovik will be completed by year end. For all other communities, road survey and design work has been completed, and road work will resume in the spring as weather permits.

HEALTH CARE FACILITIES

Labrador Health Centre

- The new Labrador Health Centre in Happy Valley-Goose Bay was officially opened on November 4, 2000. This $30 million, 26-bed facility, operated by Health Labrador Corporation, provides primary acute care, general surgery, obstetrics and some pediatric services. In addition to the in-patient unit, there is a nursery with five bassinets and one isolette; two birthing rooms and a father's waiting/early labour room.

The new Labrador Health Centre

- New services include CT Scan, mammography and respiratory services.
- The facility provides community services including addictions, public health, mental health and home care, and is the site of the regional office of Child, Youth and Family Services and the Medical Officer of Health.

Upgrading Health Services

- The Forteau Community Health Centre will be expanded by eight beds this year to provide additional chronic care accommodations for the elderly. The project is expected to cost $500,000.

- A new nursing clinic will be opened in Natuashish (Sango Bay) to replace the existing facility in Davis Inlet. Capital funding will be provided by the federal government with ongoing operational costs supported by the province. Health Labrador Corporation has entered into a similar arrangement with the Band Council in Sheshatshiu and the new clinic there.

- The Captain William Jackman Memorial Hospital in Labrador City will undergo renovations to the birthing suite, laboratory and entrances to improve the functional layout of the facility.

- New mammography equipment has also been placed at Labrador Health Centre and Captain William Jackman Memorial Hospital. The equipment was purchased with funds raised through community-based groups and will be operated and maintained by hospital staff.

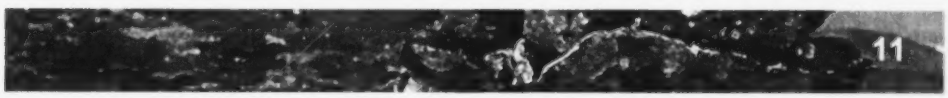
NEW SCHOOL CONSTRUCTION

Happy Valley-Goose Bay

- Design work is under way for a new Grade 7-12 school in Happy Valley-Goose Bay and construction is expected to begin in the spring of 2001.

Northern Schools Completed

- Children and teaching staff in Hopedale, Rigolet, Nain and Norman Bay are enjoying their first year in new schools. The schools, completed in 1999, include Amos Comenius Memorial all-grade school in Hopedale, built at a cost of $5.48 million; the $2.9 million Northern Lights Academy all-grade school in Rigolet; the $2.9 million Jens Haven Memorial K-3 school in Nain; and Norman Bay School, built at a cost of $325,000.



Amos Comenius Memorial School in Hopedale

Major Redevelopment

- An extension and redevelopment of Mountain Feild Academy, a K-12 facility in Forteau, has been completed at a cost of $550,000.

Air Quality/Repairs and Maintenance

- Since 1998, Government has provided over $3.4 million to address air quality issues and to conduct repairs and maintenance required in Labrador schools.

DEVELOPING THE RESOURCE SECTORS

FISHERIES AND AQUACULTURE

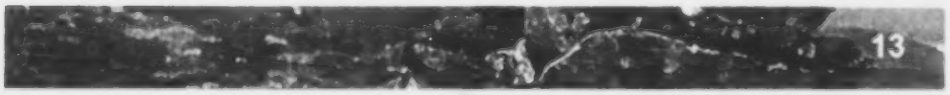
Government has taken positive steps towards expanding the fish processing sector, ensuring fish products landed in Labrador are processed in Labrador, thereby maximizing benefits to people in the region.

Black Tickle Crab Plant

- The province, through the FRAM-ED federal-provincial cost-shared agreement, helped provide about $300,000 to improve the water supply to the Black Tickle plant. This enabled a private company to turn the former groundfish plant into a modern crab processing facility.
- The initiative has created about 40 new jobs.
- Government's decision to issue a crab processing licence was the key to reopening the plant.

Charlottetown Shrimp Plant

- About $2.3 million has been provided under a federal-provincial agreement to improve the water supply at Charlottetown. This will allow a new shrimp plant to open in the community.
- The plant expects to employ about 120 workers.



MV Nain Banker

- Government sold the MV Nain Banker to the Labrador Fishermen's Union Shrimp Company in 1999 at a special price, enabling the company to harvest about one million pounds of turbot for processing at the plant in L'Anse au Loup. Accessing raw material for the plant would be extremely difficult without this vessel.

FOREST RESOURCES

Silviculture Operations

- More than $230,000 has been spent on 11 silviculture and forest nursery projects in Labrador since 1998, with seedlings planted on more than 560 hectares of land near Port Hope Simpson, Upper Lake Melville, Elephant Head Road, Grand Lake Road and Long Lake.

Capital Road Projects

- Seven road construction/bridge repair projects, crucial to forest harvest operations in Grand Lake, Port Hope Simpson, Charlottetown, Cartwright and Goose River, have been carried out since 1998 at a cost of $1.06 million.

TOURISM

With major investments in infrastructure, like construction of the Trans-Labrador Highway and development of a winter snowmobile trail system, Labrador's tourism industry is poised for significant growth over the next five years.

Development of the Winter Trail System

Snowmobiling trail, Photo: Tourism Newfoundland and Labrador

- Phase I of the plan to develop a snowmobile trail system in Labrador will be completed by December 31, 2000, at a cost of $3.5 million.

- Phase I involves the upgrading/development of a snowmobile trail from L'Anse au Clair to Cartwright; Cartwright to Happy Valley-Goose Bay; North West River to Rigolet and Churchill Falls to Labrador West. Mapping and planning have also been completed for a trail system in Northern Labrador.

- More than 120 jobs were created during this phase of the winter trail strategy.

- Under the direction of Labrador Winter Trails Inc., the network of trails is not only a means of seasonal transportation, but also the basis for the development of a new snowmobile tourism industry. Early marketing and product development initiatives have already begun.

Destination Labrador

- The five Labrador tourism associations have come together and reactivated Destination Labrador, an organization focused on marketing Labrador as a tourist destination.

- The new focus of the organization will be on destination planning, product development, regional marketing and inter-agency communication.

Guiding, Angling Regulations Amended

- Government has amended the guiding regulations to allow licensed tourist establishments in Labrador to provide guided angling opportunities for their guests.

- Another amendment allowed residents who own cottages in Labrador to take non-resident friends fishing on waters adjacent to their properties, provided they are accompanied by a licensed guide and no fee is charged for lodging, accommodations, meals or guide service.

MINES AND ENERGY

The Department of Mines an Energy continues to document and assess the mineral potential of Labrador and is actively supporting and promoting mineral exploration and development in Labrador.

Geological Mapping

- Through the Geological Survey Division, the department is conducting geological mapping in areas south of the Churchill River and in the Nain region of northern Labrador.

- The Geological Survey is documenting the potential for nickel and base metal deposits in all of Labrador and has recently published new reports on the nickel potential in Labrador.

Silicon Smelter

- Expert assessment of the opportunity to develop a silicon smelter in Labrador West has been positive, and government will soon begin

discussions with potential developers for this important new project which will strengthen and diversify the economy of Labrador West.

Mineral Incentive Program

- Through its Mineral Incentive Program, announced in the 1999 budget, the Department of Mines and Energy has provided a total of $230,000 to junior exploration companies and prospectors in Labrador.

- Government provided $47,300 to Shabogamo Mining and Exploration in 1999, which has led to the development of a new silica mine in Labrador West employing 30 people.

Prospectors Assistance Program

- Sixteen Labrador prospectors from Labrador City, Happy Valley-Goose Bay, Hopedale, Davis Inlet, and St. Lewis have received grants totalling $42,500 under the Prospectors Assistance Program in 1999 and 2000.

Dimension Stone Industry

- Through its regional office in Labrador, department officials have worked closely with the Labrador Inuit Development Corporation to develop and expand the dimension stone industry at Ten Mile Bay near Nain.

- This project is the first Aboriginal owned and operated mining project in Canada. It now employs 50 people.

HUMAN RESOURCES AND EMPLOYMENT

While most of the projects and initiatives undertaken by Human Resources and Employment (HRE) are provincial in nature, several projects have had a particularly strong impact on Labrador.

Coastal Labrador Allowance

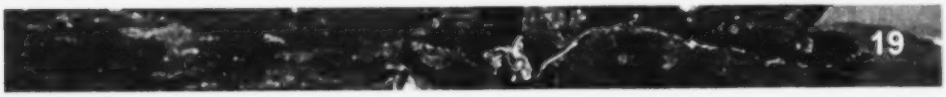
- Government has implemented a Coastal Labrador Allowance for income support clients with dependent children who live in their own homes in coastal Labrador.

- The benefit, an extra $150 per month per family, responds to concerns of both HRE staff and clients about the higher costs of food and other essentials for coastal families.

Linkages

- Linkages is a youth employment program that provides job placements for high school graduates (aged 18-24) who have not yet started work or post-secondary schooling. The program is designed to place these young people in jobs related to their careers goals.

- In the 1999-2000 fiscal year, HRE funded three Linkages programs in Labrador through the Labrador Friendship Centre in Happy Valley-Goose Bay, School District #2 in the Labrador Straits area, and the College of the North Atlantic's Labrador West Campus in Wabush.



- Four Linkages projects will receive funding in the current fiscal year, including the three previous recipients and the Labrador White Bear Outreach in Port Hope Simpson.
- The Linkages program run through the Career Drop-In Centre at the Labrador Friendship Centre in Happy Valley-Goose Bay was recognized at an international youth programs conference in Hull, Quebec, in 1999 for its innovative approach to working with at-risk youth. That program resulted in 22 of the 25 participants either finding full-time employment or pursuing post-secondary studies.

TRAINING

The College of the North Atlantic is responding to Labrador's unique training needs by developing programs that are designed to meet the needs of industry and to prepare people for potential job opportunities in the region.

Employee of the Future Program

- The new Provincial Mining Technology Centre, located at the Labrador West campus, has worked with the Iron Ore Company of Canada and Steelworkers Local 5795 to development the "Employee of the Future Program" to ensure the renewal of a skilled mining labour force as current employees reach retirement.

Meeting the Needs of the Region

- The college provides diverse training for the wide-ranging demands of the region's resource-based industries. By forming partnerships with government, industry and the community, the college continues to offer courses designed to meet the needs of the mining, fishing, forestry, tourism and road construction industries, among others.

Academic Upgrading

- The college is encouraged by the growing number of people taking the initiative to upgrade and prepare for post-secondary studies and/or the workplace.

- In June 2000, 20 students graduated from the college's Learning Centre in North West River/Sheshatshiu; 16 from the centre in Nain and four in Davis Inlet. Students also continue to graduate from Adult Basic Education programming in Hopedale, Postville, Rigolet, Port Hope Simpson and West St. Modeste.

- Over the past six to seven years, the college has graduated upwards of 500 students through its Adult Basic Education Program in Labrador.

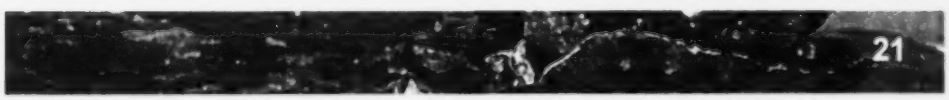
JUSTICE

Policing for Coastal Labrador

- To enhance policing services in coastal Labrador, an RCMP detachment has been re-established in Cartwright. Government has also made considerable progress in establishing a permanent police presence in Rigolet and Makkovik. Agreements with the latter two communities are nearing completion, with RCMP officers expected to be on site late this year.

Innu Prison Liaison Worker

- The Labrador Correctional Centre in Happy Valley-Goose Bay is recruiting a second prison liaison worker.



- The second position has been created to serve the needs of Innu inmates who require language interpretation and other social services during their time in custody.

Innu Victim Services Assistant

- The Department of Justice's Division of Corrections and Community Services, Victim Services section, has contracted Rose Gregoire of Sheshatshiu to provide services to victims of crime. Ms. Gregoire has been long respected in the Innu community as a strong advocate for the rights and needs of victims, and will assist the Victim Services program in its efforts to better serve the needs of victims.

Charles J. Andrew Youth Restoration Centre

- Innu, Inuit and First Nations youth are being provided with unique programming in the field of substance abuse treatment at The Charles J. Andrew Youth Restoration Centre in Sheshatshiu, which was officially opened in May 2000.

- This 12-bed facility is funded by Health Canada through the National Network of Solvent Treatment Centres Program, and is one of 10 such centres across Canada. The Sheshatshiu Band Council is to be congratulated for submitting the proposal for funding to develop the centre.

- Health Labrador Corporation, a division of the province's Department of Health and Community Services, provided assistance in the program planning.

Cross-cultural Training

- All staff at the Labrador Correctional Centre in Happy Valley-Goose Bay will take part in a series of workshops offering cross-cultural awareness training. Training will be provided by the Labrador Community College in Happy Valley-Goose Bay and Labrador Legal Services.

RECREATION AND SPORT

Labrador Winter Games

- In recognition of the important contribution the Labrador Winter Games program makes to the social, cultural and sport sectors in Labrador, $500,000 has been presented to the Labrador Winter Games Association to enable that organization to host the next games in Happy Valley-Goose Bay in March 2003.

- This is the first time funding has been allocated this far in advance and allows the organizing committee to get an early start with games preparation. It will also allow tourism operators the lead time to offer tour packages that include the sport and cultural components of the games program.

Labrador Winter Games, Photo: Tourism Newfoundland and Labrador

The Labrador Travel Subsidy

- In recognition of the importance of extra-curricular sport and cultural programs, and the significant increases in the cost of air travel, another $180,000 has been allocated to the Labrador Travel Subsidy program, bringing the total budget to $427,000.

- This increase will allow the High School Athletic Federation to offer Labrador students a five-sport program similar to that enjoyed on the island portion of the province. It will also allow more schools from different Labrador communities to become active in the program.

LAND CLAIMS

- Government is now negotiating two land claims and self-government agreements: one with the Labrador Inuit Association and the other with the Innu Nation.

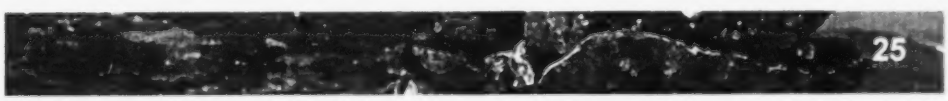
- Land claims settlements are intended to contribute to the economic and social well-being of Aboriginal peoples and other Labradorians. Government is making every effort to ensure that any land claims settlement reached with the Inuit and Innu of Labrador will be fair to all Labradorians.

- Government believes land claims settlements must be reached to ensure the prosperity of Labrador. Land claims settlements bring certainty and stability for future economic and social development.

The Labrador Inuit Association Land Claims — Agreement in Principle Initialled

- On May 10, 1999, negotiators for the Government of Newfoundland and Labrador, the Government of Canada, and the Labrador Inuit Association (LIA) initialled the Labrador Inuit Land Claims Agreement in Principle (AIP), which was ratified by LIA members in July 1999.

- Land selection negotiations between the province, Canada and the LIA began in the spring of 2000 to define the boundaries of the Labrador Inuit Lands (LIL), contained within the Labrador Inuit Settlement Area (LISA).



- Once land selection is finalized, the AIP must then be presented to the province and the federal government for ratification. Once ratified, the AIP becomes the basis for negotiation of a Final Agreement.

- The AIP contains details of land ownership, harvesting rights, environmental protection, co-management of fish and wildlife, economic development opportunities, resource revenue sharing and self-government.

- For more information on the AIP visit our web site at http://www.gov.nf.ca/exec/lass/ or call 1-877-788-8822.

The Innu Nation Land Claims — Seeking Status

- Negotiations with the Innu Nation are proceeding on two fronts: (i) towards a comprehensive land claims and self-government agreement and, (ii) towards registration of the Innu as Status Indians under the Indian Act.

- In 1999, the Innu of Labrador submitted a document to the provincial and federal governments entitled, "Ten Major Issues on Innu Rights Negotiations", which the Innu believe are the most important in the land claims process. All parties are committed to realizing the "Ten Major Issues Accord" by the end of the fiscal year.

- In September 2000, the Minister of Indian and Northern Affairs agreed to seek federal cabinet approval for the registration of the Innu as Status Indians under the Indian Act and the creation of reserves in Sheshatshiu and Natuashish.

Registration and reserve creation will mean:

- land for reserves in Sheshatshiu and Natuashish will be transferred from the province to the federal government;

- the federal government will assume financial responsibility for education, income support, most primary health care, economic development and municipal services;

- and, the Bands will then have all the rights and obligations of Status Indians including the ability to pass bylaws under the Indian Act. (This may assist them in dealing with the social problems in the communities).

The provincial government supports the registration of the Innu and is committed to facilitating the process.

MAJOR PROJECTS UPDATE

VOISEY'S BAY

- Progress has been mixed on Voisey's Bay, one of the richest, lowest-cost, nickel sulphide deposits in the world. The mine/mill project was released from the joint federal-provincial environmental assessment process in August 1999, and progress was made in the negotiation of impact benefit agreements (IBA) between Inco, the Innu Nation and the Labrador Inuit Association.

- Voisey's Bay Nickel Company is continuing with surface-based exploration and study of known deposits in the Voisey's Bay area, while Inco recently staked 1,001 claims covering over 2,500 square kilometres south of Voisey's Bay. Prospecting, geological mapping and geochemical programs are currently under way.

- Inco had proposed construction of a pilot facility to test a new hydrometallurgical technology, but would not commit to full processing in the province in the event that technology did not prove viable.

- Government maintains the position that full processing of nickel concentrate must occur within the province.

- Talks between Inco and the province were suspended in January 2000.

THE LOWER CHURCHILL

The Lower Churchill power project represents a major untapped resource in Labrador. It offers the opportunity to develop a significant block of competitive energy without causing major harm to Labrador's environment. Since 1996, the Government of Newfoundland and Labrador has been working to develop this resource.

These efforts have already reaped benefits for people in this province.

- The Guaranteed Winter Availability Contract, signed in June 1999, will provide $1 billion to the province until 2041, thus protecting the viability of CF(L)Co.

- The 130 MW Recall Agreement, signed in March 1998, will also provide many financial benefits to the province. To date, almost $80 million has been received under this contract — considerably more than the province's share of the take from the Upper Churchill contract over that same period of time.

- The CF(L)Co. Shareholders' Agreement, signed in June 1999, ensures Labrador West will have a competitive long-term supply of power after 2014, when the current Twinco agreement expires.

Current Status

- Deregulation in the United States resulted in a pause in Government negotiations with Hydro Quebec over the past summer. In a deal of this size, we must ensure the pricing is right. That was the major problem with the Upper Churchill. That mistake will not be repeated by this Government. It has to be the right deal — and the right deal means a fair price, with escalation.

- While negotiations with Hydro Quebec were paused, the time was not wasted. Negotiators met with several large American utilities, increasing our understanding of the marketplace as well as positioning ourselves with Hydro Quebec.

- In August, former Premier Brian Tobin and Premier Lucien Bouchard of Quebec decided a meeting of negotiators was warranted. These discussions continued early this fall on the basis of Newfoundland being the 100 per cent owner/developer of the Gull Island project and associated transmission in Labrador. Discussions were fruitful and additional progress is expected to be made in the coming months.

- The Lower Churchill is a project with significant benefits for Labrador, including a major block of recall power to address the future, long-term energy needs for residences, businesses and industrial users in Labrador.

- The civil works, powerhouse construction and building of new transmission in Labrador related to this multi-billion dollar project, will be a major employer of Newfoundlanders and Labradorians and provide significant revenues to Government for years to come.

OTHER INITIATIVES

Military Activity

- In February 2000, a ministerial committee was formed, in part to assist the development of military training at Canadian Forces Base (CFB) Goose Bay.

- Since then, provincial ministers and officials have held numerous meetings with the Department of National Defence (DND) in an effort to enhance current training activities at CFB Goose Bay and to discuss new military training opportunities in Labrador.

- The province will continue to work with the Institute for Environmental Monitoring and Research and DND to ensure military training at CFB Goose Bay remains compatible with Labrador's sensitive ecosystem.

- In June 2000, the Italian Air Force joined those of Germany, the United Kingdom and the Netherlands in conducting long-term military flight training in Labrador. The province will continue to work with DND and the Town of Happy Valley-Goose Bay to attract additional Allies to Labrador.

Labrador Benefits Policy

- Government signed a new Labrador Benefits Agreement on February 9, 2000 and major improvements were made. The agreement provides provincial employees who work in Labrador with extra benefits intended to help offset the cost of living in (and travelling to and from) the region.

- This was the first renegotiation of the agreement since it came into effect in May 1990, and ensures fair treatment of employees regardless of their job status (permanent, part-time or temporary).

- Over the three-year life of the agreement, the Labrador Allowance will increase anywhere from 27 per cent to 63 per cent, depending on the geographical location of employees.

Air Foodlift Subsidy

- The Department of Works, Services and Transportation contributes $300,000 annually to the Air Foodlift subsidy. The subsidy, available to all coastal Labrador communities, goes into effect about 10 days after marine coastal services stop due to weather conditions.

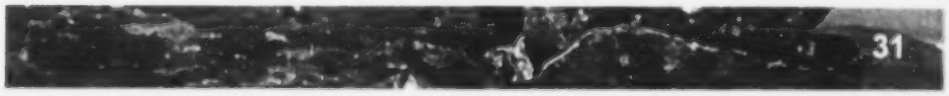
- The subsidy, administered by the South Eastern Aurora Development Association, ensures perishable items such as fruit, vegetables and dairy products are available to coastal communities during the winter months.

Highway Enforcement Officer

- The Department of Government Services and Lands has hired a new highway enforcement officer for Labrador, enabling year-round enforcement of regulations relating to legal weights on roads, truck inspections and transportation of dangerous goods.

- Ongoing construction of the Trans-Labrador Highway, along with other highway improvements, resulted in a need for this increased highway enforcement.

- The move is designed to protect our highways and improve public safety.



Lobbying for Reduction in Postal Rates

- Since 1997, Canada Post Corporation has been increasing its parcel service rates to recover the growing cost of shipping to and from northern and remote area.

- The provincial government pressed Canada Post Corporation and the federal government to reverse these increases, and was pleased when Canada Post announced in March 2000 that communities with viable surface transportation for at least six months of the year have been removed from the Air Stage program and will pay lower ground transportation rates.

- Communities which benefitted from this decision are Forteau, L'Anse Amour, L'Anse au Clair, L'Anse au Loup, Red Bay, Harbour Deep and West St. Modeste.

- Unfortunately, higher rates continue to apply to destinations requiring year-round air service for the delivery of parcels. On October 1, 2000, Canada Post Corporation applied another 25 per cent increase for regular mail to Labrador residents. Government will therefore continue its pressure on the Minister Responsible for Canada Post Corporation to ensure that Canada Post treats rural and northern Canadians in a fair and equitable manner.